



Rathbone Greenbank
Global Sustainability Fund
Product brochure



Contents

3	Our aims
4	Why Rathbones?
4	Why you or your clients need our fund
6	How does our fund work and what is the investment process?
7	Management of the fund
8	Introducing Greenbank
10	Our sustainability criteria
12	The exclusions and negative screens
13	What makes us different?
14	What we aim to do
14	What we aim <i>not</i> to do

Rathbone Greenbank Global Sustainability Fund

Sustainable investing is about long-term value creation for investors, society and the environment. You should not have to compromise on your own personal values.

Our aims

We are offering:

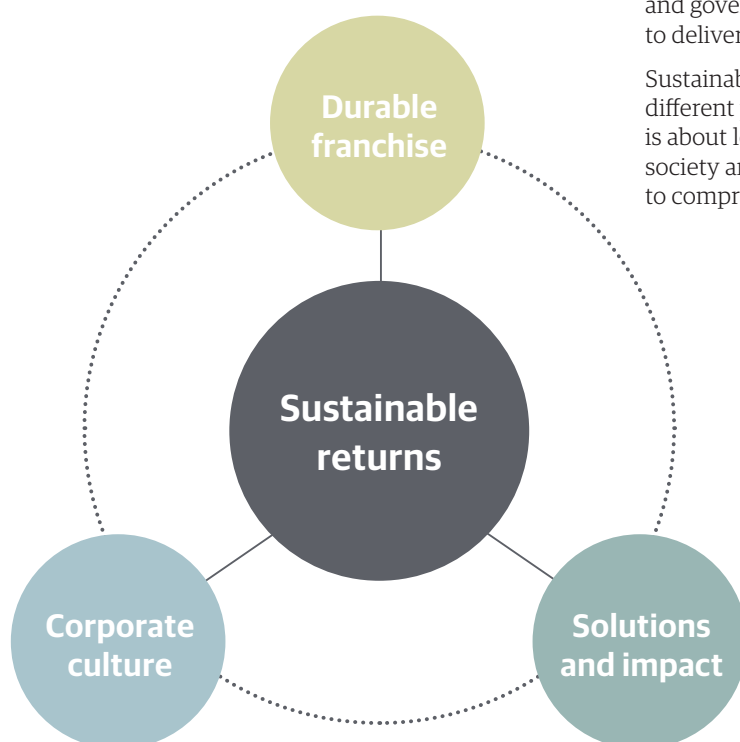
Durable franchises – a company-focused investment process, established upon a robust risk framework

Solutions and impact – investing in companies that support the achievement of the UN (United Nations) Sustainable Development Goals

Corporate culture – investing only in companies with strong corporate governance and culture

A growing number of investors want to make a difference with their investments and achieve better outcomes. They are placing a priority on investing in a socially and environmentally responsible way to help address some of the biggest environmental and social challenges of our time. The Rathbone Greenbank Global Sustainability Fund was designed to help overcome these challenges. It is our belief that companies displaying strong policies and practices with regard to environmental, social and governance issues should be better positioned to deliver positive results for investors.

Sustainable investing means different things to different people. For us, sustainable investing is about long-term value creation for investors, society and the environment. You should not have to compromise on your own personal values.



Why Rathbones?

Rathbone Funds has a long-standing record in the fund management industry.

We have the expertise and experience to meet the demand for more socially responsible investment, supported by ethical and sustainability analysis from the team at Rathbone Greenbank Investments.

This fund complements the long standing track record of the Rathbone Ethical Bond Fund, and the recently launched Rathbone Greenbank Multi-Asset Portfolio range.

Why you or your clients need our fund

Is this fund for you and your clients?

Yes, if you and your clients are:

- Looking for better outcomes from your investments
- Seeking to invest in businesses that stand up to robust ethical scrutiny
- Seeking to invest in businesses that aim to operate in accordance with and in support of the UN Sustainable Development Goals
- Willing and able to commit to an investment for at least five years.

Key fund benefits:

- **Exposure to an experienced investment team, employing a robust and tested investment process**
- **The additional assurance that Rathbone Greenbank provides the discipline and the independence of governance that ensures the ethical and sustainable commitment**
- **The offer of a tripartite approach: durable franchises; solutions and impact; strong corporate culture.**



How does our fund work and what is the investment process?

- i. **The starting point is always finding great businesses at attractive valuations.** The managers are part of a team that uses a straightforward methodology established upon a robust, risk-based approach to investment. Our trinity of risk system divides investment risk into three types:

Business risk

- Is it a good business? Is there a durable franchise?
- Does it generate *sustainable cash returns* on invested capital?

Financial risk

- Is it well financed?
- Is the level of debt on the balance sheet appropriate?

Price risk

- What is in the price?
- Is there a margin of safety?
- *Is it a good investment?*

- ii. The chosen companies will then go through an **extensive screening process**, a service provided by Rathbone Greenbank. This has two broad aims:
- **Ethical screening:** Companies involved in any activities outlined in the fund's published negative criteria will not be considered for inclusion in the fund universe. Rathbone Greenbank has a strict veto.
 - **Positive sustainability criteria:** Companies must also be aligned with at least one positive sustainability theme, either in the way they operate or via the products and services they provide.
- iii. **Stewardship** is an important third leg to the process.
- Corporate engagement forms an essential part of our approach to responsible investment, either to address direct concerns about a specific issue or area of performance or to encourage best practice.
 - We seek engagement not activism, and our philosophy is based on a framework of long-term partnership and encouragement.
 - Rathbone has directed substantial resources towards a dedicated stewardship team over the last few years, and it grows in importance and relevance.

The starting point is always finding great businesses at attractive valuations.

Management of the fund

David Harrison is the lead manager of our fund, and he is supported by Neil Smith and Siyuan Lin. Importantly, they are supported by a wider investment team with over 100 years of combined investment experience, a team at the very core of the investment process upon which the fund is established. The team approach is crucial. It orchestrates a challenging environment in which

our managers test investment ideas through a form of peer review. It also creates a natural diversification because different people are interested in different things, but the core process means all these ideas are explored in the same way. Finally, work is not duplicated – trust in each other and the process breeds efficiency.



David Harrison

David has a wealth of fund management experience, and manages the Rathbone Greenbank Global Sustainability Fund. Previously David was a portfolio manager for an Environmental Social Governance (ESG) global equity mandate while at Merrill Lynch. He was also a portfolio manager for a European small and mid-cap strategy while at Hermes (he was actively involved in the day-to-day integration of ESG analysis into the fund's management) on behalf of the BT pension scheme. He has also held positions at Goldman Sachs and Close Brothers. David joined Rathbones in June 2014, and is passionate about creating positive impacts and positive returns through investment.



Siyuan Lin

Siyuan is a global equity analyst with specific reference to Asian markets and works on sustainable investment ideas for the fund. She joined Rathbones in April 2013, having worked as a research analyst for three years in Martin Currie's emerging market team. She holds the Investment Management Certificate and is a CFA (Chartered Financial Analyst) charterholder.



Neil Smith

Neil joined the team in September 2017 as a research assistant. He has been instrumental in developing the methodology upon which the fund is established, especially with regard to the use of the UN Sustainable Development Goals to adjudge positive corporate responsibility. Neil graduated from Plymouth University with a Bachelor of Science degree in law and politics. He also holds the Investment Management Certificate.

The team approach is crucial:
Challenge
Diversification
Efficiency



Introducing Greenbank

Empowering investors, creating positive impact

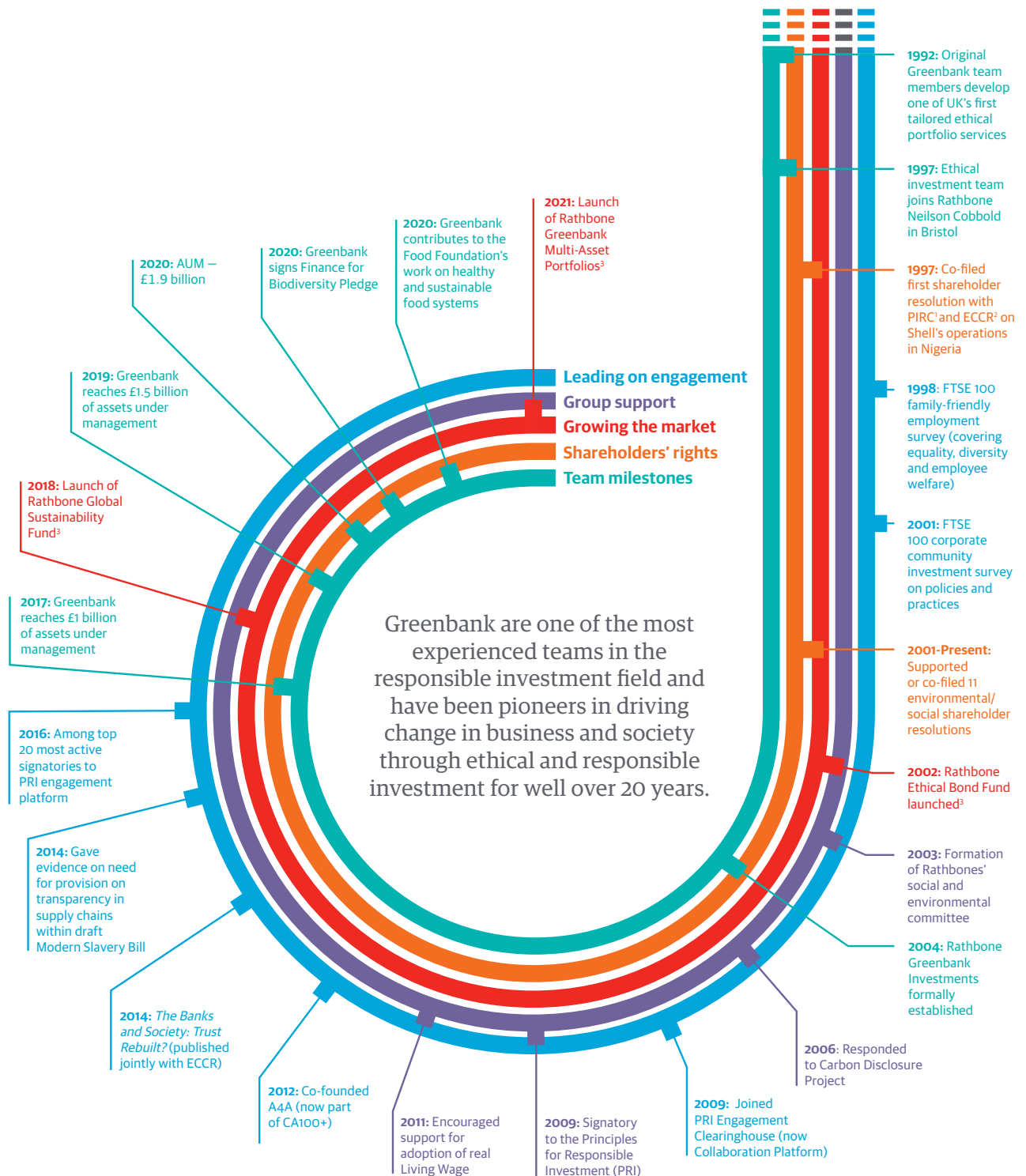
Rathbone Greenbank Investments is the dedicated ethical, sustainable and impact investment unit of Rathbones. The team has been at the forefront of developments in the ethical, sustainable and impact investment industry for over 20 years, launching one of the UK's first bespoke ethical portfolio services. Greenbank offers a dedicated responsible investment service, applying social, environmental and ethical principles in the management and screening of client portfolios.

The team is passionate about sustainability issues and placing the principles of its clients and partners at the forefront of everything it does. A pioneer in sustainable investment, it has been pushing for improvements in corporate sustainability through active engagement with companies on issues ranging from modern slavery to climate risk since its foundation.

Greenbank's ethical, sustainable and impact research team provides the Rathbone Greenbank Global Sustainability Fund with independent analysis into the sustainability credentials of the companies and entities in which they invest. Their proprietary database comprises environmental, social and governance (ESG) and sustainability profiles on companies, governments and other entities, enabling the team to ensure the funds only invest in approved entities that are aligned with the Sustainable Development Goals.

Greenbank is the final arbiter on whether an investment is eligible for inclusion within the funds; it also monitors fund holdings for their ongoing suitability in the event of changes in their core activities due to mergers, acquisitions and disposals or as they develop new ESG policies and practices

Pioneers in ethical, sustainable and impact investment



¹ Pensions & Investment Research Consultants Ltd.

² The Ecumenical Council for Corporate Responsibility.

³ Managed by Rathbone Unit Trust Management; screening services provided by Rathbone Greenbank Investments.

Our sustainability criteria

In September 2015, the UN launched the Sustainable Development Goals (SDGs). These comprise 17 goals, with 169 underlying targets that aim to 'end poverty, protect the planet and ensure prosperity for all' by 2030. The SDGs provide a comprehensive framework for international action on the many social and environmental challenges facing the world.

Greenbank has mapped the SDGs to a set of eight sustainable development categories and a number of underlying sub-categories.

These categories ultimately align with the same ambitions as the SDGs but focus on the areas most relevant to companies and investors. We use these to determine how successful individual companies are at translating aspirations into tangible results.

This serves a clear purpose. We want to invest in businesses that not only satisfy strict ethical criteria, but also result in positive outcomes for people and the planet. By doing so, the fund aims to deliver long-term sustainable returns.





Decent work

Includes organisations that are supporting the quantity and quality of jobs through the products and services they provide. Also includes organisations that are operationally aligned with the theme and support positive impacts via their policies, business strategies and management of their own employment practices.



Resource efficiency

Includes organisations that are supporting the sustainable use of Earth's resources through the products and services they provide. It also includes organisations that are operationally aligned with the theme and support positive impacts via their policies, business strategies and management of their own resource use.



Habitats and ecosystems

Includes organisations that are helping to preserve land, water and marine habitats and biodiversity.



Inclusive economies

Includes organisations that are promoting access to basic services and supporting a more inclusive society through the products and services they provide.



Energy and climate

Includes organisations that are supporting positive climate action and energy security through the products and services they provide. Also includes organisations that are operationally aligned with the theme and support positive impacts via their policies, business strategies and management of their own environmental impacts.



Health and wellbeing

Includes organisations that are supporting physical and mental wellbeing, or helping to prevent injuries and deaths, through the products and services they provide.



Resilient institutions

Includes organisations that promote peace, justice and the rule of law through the products and services they provide. It also includes organisations that are operationally aligned with the theme and support positive impacts via their policies, business strategies and management of their own human rights impacts.



Innovation and infrastructure

Includes organisations that are supporting environmental sustainability or human wellbeing through the products and services they provide. Organisations in this theme can often play a facilitating role in creating the environment or infrastructure needed for other organisations to deliver positive impact.



The exclusions and negative screens

The fund will apply screening criteria to avoid investing in:

- Companies involved in specific activities or engaged in behaviour that is of general concern to ethical investors; or,
- Companies creating significant negative impacts that are considered to be incompatible with sustainable development.

Areas of concern include: alcohol; animal welfare violations; armaments; climate change; employment practice; environment; gambling; human rights; nuclear power; pornography; and tobacco.

Full details can be found in a separate document entitled "The Rathbone Greenbank Global Sustainability Fund (the sustainability process)".



Companies need to give something back.

What makes us different?

- **Investment process:** established and proven over many years
- **Risk-based approach:** with a focus on mitigating downside losses
- **Very experienced management team:** some involved directly, others supporting, and some working in Rathbone Greenbank
- **Clear sustainable and ethical criteria:** with a methodology that emphasises positive and negative criteria
- **Ethical screening is disciplined and rigorous:** Rathbone Greenbank has power of veto on clear ethical grounds. There can be no “green-washing” (promoting investments and products as environmentally beneficial when in reality they are not!)
- **Stewardship responsibilities:** engagement, not activism
- **Global and multi-cap approach:** beyond the ethical and sustainability rules there are no constraints, neither geographically nor in terms of size.

What we aim to do

- We will take a **long-term perspective**
- We will follow a **robust and straightforward methodology** around sustainable investment
- We will take **corporate governance responsibilities seriously**, engaging with companies where appropriate without resorting to aggressive activism
- We will practice **clear and regular communication** with shareholders in the fund
- We will adopt a clear and simple approach, but nevertheless **thinking and acting differently to the market.**

What we aim *not* to do

- We won't chase short-term performance
- We won't cut corners in relation to ethical and sustainability rules – **there will be no "green-washing"**
- The fund will not target a yield, although a regular distribution should be expected
- We won't pursue lower-quality companies with the hope of improvement
- We won't diversify by adding significantly more stocks to the portfolio. **We will aim to construct a portfolio of between 30 and 50 holdings.**

The funds are governed by the Undertakings for Collective Investment in Transferable Securities (UCITS) regulatory framework, which provides a level of protection designed to reduce investment risk for you.

Things to consider:

- Equity investment risk is not right for everyone. For example, during periods of market volatility, the risks normally experienced by our fund may increase significantly. In addition, the fund may be subject to different investment risks.
- As an equity investor, you should ensure that you understand the tax treatment of your investment and its impact on your personal taxation.
- The value of investments in our fund and the income from them may go down as well as up, and you may not get back your original investment.
- We are not responsible for ensuring your investment is suitable for you. If you have an investment adviser, they will be able to provide guidance.

For more information about the risks of our fund, please see our Key Investor Information Document (KIID).

Copies of our fund's Prospectus, as well as its latest KIID and manager's report, are available on request and free of charge from our intermediary services desk.

You can find more information about Rathbones, our approach to investing and our latest views on the global economy and financial markets at rathbones.com



Rathbone Unit Trust Management Limited
8 Finsbury Circus, London EC2M 7AZ
Tel 020 7399 0000

Information line
020 7399 0399
rutm@rathbones.com
rathbonefunds.com

Authorised and regulated by the
Financial Conduct Authority
A member of the
Investment Association
A member of the Rathbone Group.
Registered No. 02376568

Rathbones

Look forward

Rathbones and Rathbone Greenbank Investments are trading names of Rathbone Investment Management Limited. Rathbone Investment Management Limited is authorised by the Prudential Regulation Authority and regulated by the Financial Conduct Authority and the Prudential Regulation Authority.

Registered office: Port of Liverpool Building, Pier Head, Liverpool L3 1NW. Registered in England No. 01448919

Rathbone Unit Trust Management Limited (known as Rathbone Funds) is a subsidiary of Rathbones and is authorised and regulated by the Financial Conduct Authority. Registered office: 8 Finsbury Circus, London EC2M 7AZ. Registered in England No. 02376568

Rathbone Investment Management Limited is a wholly owned subsidiary of Rathbone Brothers Plc.

We are covered by the Financial Services Compensation Scheme. The FSCS can pay compensation to investors if a bank is unable to meet its financial obligations. For further information (including the amounts covered and the eligibility to claim) please refer to the FSCS website [fscs.org.uk](https://www.fscs.org.uk) or call 020 7892 7300 or 0800 6781100. Unless otherwise stated, the information in this document was valid as at 9 June 2021. Not all the services and investments described are regulated by the Financial Conduct Authority (FCA). Rathbone Brothers Plc. is independently owned, is the sole shareholder in each of its subsidiary businesses and is listed on the London Stock Exchange.

Head office: 8 Finsbury Circus, London EC2M 7AZ.

The information and opinions expressed herein are considered valid at publication, but are subject to change without notice and their accuracy and completeness cannot be guaranteed. No part of this document may be reproduced in any manner without prior permission.

© 2021 Rathbone Brothers Plc.

Disclaimer — Eurosif does not accept responsibility or legal liability for errors, incomplete or misleading information provided by signatories in their responses to the European SRI Transparency Code. Eurosif does not provide any financial advice nor endorse any specific funds, organisations or individuals.



The European SRI Transparency logo signifies that Rathbone Unit Trust Management Limited commits to provide accurate, adequate and timely information to enable stakeholders, in particular consumers, to understand the Socially Responsible Investment (SRI) policies and practices relating to the fund.

Detailed information about the European SRI Transparency Guidelines can be found on [eurosif.org](https://www.eurosif.org), and information of the SRI policies and practices of the Rathbone Greenbank Global Sustainability Fund (formerly the Rathbone Global Sustainability Fund) can be found at: [rathbonefunds.com](https://www.rathbonefunds.com).

The Transparency Guidelines are managed by Eurosif, an independent organisation. The European SRI Transparency Logo reflects the fund manager's commitment as detailed above and should not be taken as an endorsement of any particular company, organisation or individual.